

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 5104710087 Mine Name Verian Mine  
Operator NEFFCO Mining Date Sent Oct 23 2013  
TO \_\_\_\_\_ FROM \_\_\_\_\_

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE  
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI  
☐ AMENDMENT ☐ OTHER \_\_\_\_\_

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded  
Notice of file Closure and Release of Reclamation Surety  
2013-10232013

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2013-10232013

**CONFIDENTIAL**

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded  
Bond File 2013-10232013

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: \_\_\_\_\_

CC: \_\_\_\_\_



Account Number:

110050116

Account Name: UST - OGM - Neffco Mining, Manufact &amp; En

Tran #: 19146006

Admin Name: Raylyn Daniel - UST 801-844-8523

Date: 10/10/2013

This check constitutes payment of the following:

Escrow Disbursements  
final release of acct #

Paid For:

Amount: \$7,181.68

110050116

Payee:

OGM - Neffco Mining, Manufacturing & Eng  
c/o UST  
350 N State Street, Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315

HARLAND CLARKE MI 875 13151461

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

OFFICIAL CHECK

110050116

Zions First National Bank  
Salt Lake City, Utah  
801-844-7089

UST - OGM - Neffco Mining, Manufact &amp; En


Trust Account

10/10/2013

\$7,181.68\*

Seven Thousand One Hundred Eighty One Dollars &amp; 68/100

Pay to the Order Of:

OGM - Neffco Mining, Manufacturing & Eng  
c/o UST  
350 N State Street, Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315

Security Features Included Details on Back



Date: 6/22/07

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

MODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACT

Name of Operator: Neffco Mining, Manufacturing & Engineering, LLC

Permit Number: M/047/087

Mine Name: Verian Mine

Phone Number: 801-943-7359

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety: ☐ Decrease  
☒ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☐ Escalation  
☐ Partial Release of surety  
☒ Other

Explain: expansion of mine site

Surety Dollar Amount Associated With This Action: \$18600.00

Surety Aggregate Amount: \$18600.00

Included in this modification (surety must be attached)

Instrument(s):

☐ Corporate Surety  
☐ LOC Letter of Credit  
☐ CD Certificate of deposit  
☒ Cash

☐ Rider  
☒ Amendment  
☐ Addendum  
☐ Other

Explain:

Other surety not affected by this modification will remain part of Attachment A and labeled as such.

This Modification will be effective as of the last date signed below

[Signature]  
Authorized Officer

[Signature]  
Title

6-22-07  
Date

[Signature]  
Division Director  
Utah Division of Oil, Gas and Mining

6/25/07  
Date



FORM MR-RC (SMO)  
Revised August 9, 2006  
RECLAMATION CONTRACT

RECEIVED

DEC 01 2006

DIV. OF OIL, GAS & MINING  
File Number VERIAN MINE

Other Agency File Number \_\_\_\_\_

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

---ooOoo---

**SMALL MINE RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **NEFFCO MINING, MANUFACTURING & ENGINEERING, LLC** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **M/047/087** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

☒ **APPROVED**

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and



workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
- 3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
  - 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
  - 5. If the Surety expressly provides for cancellation or termination for non-renewal:
    - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
    - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety

 **APPROVED**



for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.



12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

☒ APPROVED



The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

NEFFCO MINING, MANUFACTURING & ENGINEERING, LLC  
Operator Name

By Everett Jackson Stockwell

Authorized Officer (Typed or Printed)

Member

Authorized Officer - Position

Everett Jackson Stockwell 11-9-06  
Officer's Signature Date

STATE OF Utah )

COUNTY OF Salt Lake ) ss:

On the 9<sup>th</sup> day of Nov, 2006, Everett Jackson Stockwell personally appeared before me, who being by me duly sworn did say that he/she is an member (owner, officer, director, partner, agent, or other (specify)) of the Operator NEFFCO, LLC and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Michele M Maxfield  
Notary Public  
Residing at Salt Lake  
11/21/2010

My Commission Expires:



☒ APPROVED



DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

12/8/2006  
Date

STATE OF Utah)  
COUNTY OF Salt Lake) ss:

On the 8th day of December, 2006, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland  
Notary Public  
Residing at: Salt Lake City, Utah

05-08-2010  
My Commission Expires:



FACT SHEET

Commodity: GOLD

Mine Name: YERIAN MINE

County: Uintah

Disturbed Acres: 2, with re-vegetation requirement of graded areas

Operator Name: NEFFCO MINING AND MANUFACTURING & ENGINEERING LLC

Operator address: ~~3477 BIG COTTONWOOD CANYON RD SALT LAKE CITY UT~~

~~84121~~ 10741 S. Jordan Gtwy Suite 220, So. Jordan, U

Operator telephone: (801) 943-7359 84095

Contact: Everett Jackson Stockwell (Jack)

Operator email: [jack@jackstockwell.com](mailto:jack@jackstockwell.com)

Surety: Cash

Bank Name: Zions Bank

Surety Amount: \$10,000.00

Account number: to be issued, attachment A

Contact: Beth Ericksen, Division of Oil, Gas and Mining, 801 538 5318

Escalation year: 2009

TAX ID: \_\_\_\_\_(required for cash)

RECEIVED

DEC 01 2006

DIV. OF OIL, GAS & MINING





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

October 11, 2010

Received by: Stumacher (sign)

Date: 10/11/2010

Received by: Steven W. Hill (print)

Jack Stockwell  
Neffco Mining, Manufacturing and Engineering  
10714 South Jordan Gateway, Suite 220  
South Jordan, Utah 84095

Subject: Surety Release Check Enclosed, Neffco Mining, Manufacturing & Engineering, Yerian Mine, S/047/0087, Uintah County, Utah

Dear Mr. Stockwell:

Please find enclosed with this letter a check in the amount of \$12,600. This check is for a *partial* release of the surety for the Yerian small mine project. The Division has found the regrading reclamation to be adequate. The remaining surety, \$6,000, is considered adequate to complete reseeding the project area.

Thank you for your cooperation in completing this reclamation work.

Sincerely,

Paul B. Baker  
Minerals Program Manager

PBB:lah:pb

Enclosure: Surety refund check

cc: Larry Neff 11814 S. Election RD #100, Draper, UT 84020

P:\GROUPS\MINERALS\WP\M047-Uintah\S0470087-Yerian\final\cover-3641-09142010.doc





110013029

Account Number: [REDACTED]  
Account Name: UST - OGM - Neffco Mining, Manufact.& En  
Tran #: 16801465  
Admin Name: Raylyn Daniel - UST 801-844-8523  
Date: 09/30/2010

This check constitutes payment of the following:

Escrow Disbursements  
partial release of acct # [REDACTED]

Paid For:

Amount: \$12,600.00

110013029

Payee:

OGM - Neffco Mining, Manufacturing & Eng  
c/o Utah State Treasurer  
350 N State Street Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315

HARLAND CLARKE M17873 10139532

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

OFFICIAL CHECK

110013029

Zions First National Bank  
Salt Lake City, Utah  
801-844-7089

UST - OGM - Neffco Mining, Manufact.& En

Trust Account

9/30/2010

\$12,600.00\*

**Twelve Thousand Six Hundred Dollars & 00/100**

Pay to the Order Of:

OGM - Neffco Mining, Manufacturing & Eng  
c/o Utah State Treasurer  
350 N State Street Ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315







EDWARD T. ALTER, CPA  
STATE TREASURER

# STATE OF UTAH

OFFICE OF STATE TREASURER  
E315 STATE CAPITOL COMPLEX  
P. O. BOX 142315

SALT LAKE CITY, UTAH 84114-2315

TEL: (801) 538-1042  
FAX: (801) 538-1465  
TDD: (801) 538-1042

RICHARD K. ELLIS  
CHIEF DEPUTY STATE TREASURER

CHRISTINE M. BRANDT  
STATE INVESTMENT OFFICER

June 26, 2007

Ms. Beth Ericksen  
Division of Oil, Gas & Mining  
1594 W North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, UT 84114

Dear Ms. Ericksen:

I hereby certify that Neffco Mining Manufacturing & Engineering, LLC has deposited with the Utah State Treasurer additional cash or securities valued at \$8,600.00 and described as follows:

Interest bearing escrow account held at Zions First National Bank  
totaling \$18,600.00 plus accrued interest.

The above described securities have been deposited and assigned to the Utah State Treasurer as a Reclamation Surety as required by Section 40-8-14 Utah Code Annotated, and will be held by the Utah State Treasurer until release is requested by the Division of Oil, Gas & Mining.

Sincerely,

Coleen Hackwell  
Financial Analyst

☒ APPROVED

S/047/087





EDWARD T. ALTER, CPA  
STATE TREASURER

# STATE OF UTAH

OFFICE OF STATE TREASURER  
E315 STATE CAPITOL COMPLEX  
P. O. Box 142315

SALT LAKE CITY, UTAH 84114-2315

TEL: (801) 538-1042  
FAX: (801) 538-1465  
TDD: (801) 538-1042

ROBERT C. KIRK  
CHIEF DEPUTY STATE TREASURER

CHRISTINE M. BRANDT  
STATE INVESTMENT OFFICER

December 15, 2006

Ms. Beth Ericksen  
Division of Oil, Gas & Mining  
1594 W North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, UT 84114

Dear Ms. Ericksen:

I hereby certify that as of December 6, 2006, Neffco Mining Manufacturing & Engineering, LLC has deposited with the Utah State Treasurer cash or securities valued at \$10,00.00 and described as follows:

Interest bearing escrow account #                      held at Zions First National Bank

The above described securities have been deposited and assigned to the Utah State Treasurer as a Reclamation Surety as required by Section 40-8-14 Utah Code Annotated, and will be held by the Utah State Treasurer until release is requested by the Division of Oil, Gas & Mining.

Sincerely,

Coleen Hackwell  
Financial Analyst

☒ APPROVED

Attachment A  
S/047/087  
Terian Mine  
\$10,000.00



OFFICIAL CHECK

NO 423964520

KeyBank National Association  
10291 South State St.  
Sandy, UT 84070

DATE 11102006

OFFICE 00265005 10-3717/1220

PAY TO THE ORDER OF STATE OF UT OIL, GAS AND MINING

\$ \*\*\*\*\*10,000.00

\*\*\*Ten Thousand and 00/100\*\*\*

DOLLARS

Drawer: KeyBank

AUTHORIZED SIGNATURE

*[Signature]*

MEMO 11/047/087 YERIAN MINE

Issued by Integrated Payment Systems Inc., Englewood, Colorado  
Wells Fargo Bank Ltd., Los Angeles, California

*original check given to V. Balu*

RECEIVED

DEC 01 2006

DIV. OF OIL, GAS & MINING

*[Signature]*

Cash RECEIPT

Date Dec 1 2006

MINERALS BOND \$10K

Amount \$	
Permit Number	M10471087
Operator	Neffco Mining, Manufacturing, & Engineering LLC
Received by	Beth Eickson
Signature	I confirm the dollar amount of this check is correct and amount. <i>[Signature]</i>





KeyBank National Association  
10291 South State St.  
Sandy, UT 84070

DATE

06222007

OFFICE

00265005

16-3717/1220

PAY  
TO THE  
ORDER OF

UT DIV. OF OIL GAS &amp; MINING

\$

\*\*\*\*\*8,600.00

\*\*\*Eight Thousand Six Hundred and 00/100\*\*\*

DOLLARS

Drawer: KeyBank

AUTHORIZED SIGNATURE

MEMO DEPOSIT TO VERIAN MINE

Issued by Integrated Payment Systems Inc., Englewood, Colorado  
Wells Fargo Bank Ltd., Los Angeles, California

## Cash RECEIPT

Date 6/22/07

## MINERALS BOND

Amount \$	
Permit Number	M1047 / 087
Operator	Neffco Mining, Manufacturing, & Engineering LLC
Received by	Jed Pearson
Signature	I confirm the dollar amount of this check is correct <u>[Signature]</u>





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 20, 2011

Larry Neff  
Neffco Mining, Manufacturing & Eng. LLC  
11814 South Election Road #100  
Draper, Utah 84020

Subject: Second Request for Modification of Attachment A to the Reclamation Contract and Fact Sheet, Neffco Mining, Manufacturing & Engineering, LLC, Yerian, S/047/0087, Uintah County, Utah

Dear Mr. Neff:

On October 15, 2010 Steven W. Hill, from your office, picked up check # [redacted] in the amount of \$12,600.00. This was for a partial release. On September 27, 2010 the first request for the Modification of Attachment A to the Reclamation Contract and Fact Sheet was sent. This is a second request.

Please sign the Modification of Attachment A to the Reclamation Contract and complete the Fact Sheet.

Please return these documents to the Division as soon as possible so that we can proceed with our process in completing this file. If you have any questions please call 801-538-5291 or email [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov). Thank you for your attention in this matter.

Sincerely,

Penny Berry  
Bond Coordinator  
Minerals Program

PB

P:\GROUPS\MINERALS\WP\M047-Uintah\S0470087-Yerian\bond\LtrReqMARC2.doc



STATE OF UTAH  
DEPARTMENT OF NATUAL RESOURCES  
DIVISION OF OIL, GAS AND MININGMODIFICATION OF ATTACHMENT A  
TO THE  
RECLAMATION CONTRACTName of Operator: Neffco Mining, Manufacturing & Engineering Permit Number: S/047/0087Mine Name: Yerian Mine Phone Number: 801-943-7359

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

*Check the boxes that apply to this form:*

Surety: ☒ Decrease  
☐ Increase  
☐ Replacement

Reason: ☐ Amendment to NOI  
☐ Cancellation/ Termination of surety  
☐ Escalation  
☒ Partial Release of surety  
☐ Other

Explain: Operator requested partial release. After an inspection it was determined that \$12,600 could be released.

Surety Dollar Amount Associated With This Action: \$12,600.00

Surety Aggregate Amount: \$6,000.00

***Included in this modification (surety must be attached)***

Instrument(s):

<input type="checkbox"/> Corporate Surety	<input type="checkbox"/> Rider
<input type="checkbox"/> LOC Letter of Credit	<input type="checkbox"/> Amendment
<input type="checkbox"/> CD Certificate of deposit	<input type="checkbox"/> Addendum
<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Other

Explain:

**Other surety not affected by this modification will remain part of Attachment A and labeled as such.  
This Modification will be effective as of the last date signed below**

Authorized Officer Signature

Printed

Title

Date

Division Director John R. Baza  
Utah Division of Oil, Gas and Mining

Date





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 15, 2010

Ann Pedroza  
State of Utah, Office of State Treasurer  
E315 State Capitol Complex  
Post Office Box 142315  
Salt Lake City, Utah 84114-2315

Subject: Authorization for Release of Cash Deposit Held by Utah State Treasurer; Neffco Mining, Manufacturing & Engineering; Yerian Mine, S/047/0087; Uintah County, Utah

Dear Ms. Pedroza:

The Utah State Treasurer is presently holding funds for the benefit of the State of Utah, Division of Oil, Gas and Mining as a form of reclamation surety for the following project:

Permit ID	Mine Name	BOND AMOUNT			OPERATOR Check payable to	Account Number
		Total Amount Held	Release Amount Requested	Amount to be Retained		
S/047/0087	Yerian	\$18,600	\$12,600	\$6,000 + interest	Neffco Mining, Manufacturing and Engineering	

Please note that the total amount to be retained in the account for this project is \$6,000 plus interest.

Please make the check payable to Neffco Mining and Manufacturing and remit the funds to the Division, attention: Minerals Regulatory Program—Bond Coordinator.

If you have any questions or require further discussion regarding this letter, please contact Penny Berry, bond coordinator, at 801-538-5291, or by email at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov).

Sincerely,

Dana Dean, P.E.  
Associate Director

DD:lah.pb

cc:Jack Stockwell 10714 S. Jordan Gateway, Suite 220, South Jordan, UT 84095; Larry Neff 11814 S. Election RD #100, Draper, UT 84020  
P:\GROUPS\MINERALS\WP\M047-Uintah\S0470087-Yerian\final\CASHR-3641-09142010.doc





**From:** Paul Baker  
**To:** BONDCOORDINATOR  
**Date:** Fri, Jun 22, 2007 2:07 PM  
**Subject:** Neffco/Yerian Bond

This NOI was approved in 2006, so the bond was escalated to 2009. When they called about increasing the amount, I told them they could keep the escalation year and give us \$8600 or they could increase the total to \$20700 and have it escalated to 2010. They chose 2009.



**From:** Paul Baker  
**To:** soshill@gmail.com  
**Date:** Fri, Jun 15, 2007 9:25 AM  
**Subject:** Yerian Acreage Increase

As I explained on the phone, your NOI (notice of intention) says you will disturb five acres, but we conditioned our approval and said you could only have two acres of active disturbance at a time, one for equipment and one for the mine.

Please send a letter indicating you want to utilize the entire five acre area (or some smaller figure).

The current surety, \$10,000, is escalated through 2009. If you want to keep the same escalation year, the total surety would be \$18,600. The total surety escalated through 2010 would be \$20,700, and we would prefer that you use this amount/year.

Let me know if you have questions.

Paul

**CC:** BONDCOORDINATOR